CHAPTER - IV

LAND REFORM POLICY AND PLANNING

LAND REFORM POLICY

Prior to the land reform programme in 1962, the reform measures got under way by Shah of Iran in 1950, with the distribution of his own lands (crown property) amongst the farmers. The Bank of Development and Rural Cooperatives (Bank Omran-Va-Tavan Rushti) was set up by Shah in 1951 to assist in the development of the distributed land. Peasants buying plots of the Shah's land, which were sold at a price based on ten times the average annual production value, were to make equal yearly interest free instalment payment over 25 years to the bank. The bank was to relend these funds to the farmers through their cooperative for development projects and for purchase of implements, seeds and machinery.

One of the main objectives of the white revolution, and particularly the land reform, was to reshape the traditional, economic and social relationship between land lords and peasants and to raise the standard of the peasant groups. The Shah felt that the country could not modernize without the participation and support of all segments of society, and he acted to involve the rural mass in national affairs.
The redistribution of land was viewed by the Shah as a necessary step in this process. From the start it was recognized that land redistribution would not achieve the desired results unless it was accompanied by a programme of financial and technical assistance. For achieving the goal rural cooperatives, and other projects were created. The rural cooperatives, for example, were organized to assist the small independent farmers by providing services that were previously the landlord's responsibility. In those villages where cooperatives have been operating, the peasants have begun to achieve a higher standard of living. The effectiveness of the rural cooperatives has been somewhat reduced because they do not have the financial resources and the trained manpower to fully achieve their objectives.¹

The modernization of economy has affected people in the smallest villages. Important changes began in urban areas, but they eventually spread in all segments and levels of the society.

Before the land reform rural population was stratified into big landlords, medium landlords, peasant proprietors and tenants and labourers. The big landlords who lived mainly in Tehran or provincial capitals comprised less than 1.0 per cent of the total population but owned 60 per cent of the total cultivated area. Their properties varied from 5 to 100 villages or more. Medium landlords comprised only
5 per cent of the landowning farmers, mostly living in towns, had one entire village in fertile regions or several villages in the arid zones. Between 10-15 per cent of the land was peasant owned, about 15 and 25 per cent was Waqf land, and public domain and crown lands amounted to 5 per cent each. More than 80 per cent of the peasant population was composed of share cropping peasants and landless labourers. 2 10,000 of the 49,000 villages belonged to landlords who owned more than 7 villages each, and another 5,000 villages belonged to those who owned 5 or 6 villages each. One landlord in Khorasan Province was reported to own 136 villages, another in Shiraz had 168 villages and four landlords owned most of the villages in Kordestan Province.

400 to 450 large landlords owned 57 per cent of all the villages. Most of the large villages had one, two or three owners. In contrast to the predominance of villages owned by landlords in Kordestan, Bakhtaran, Mazandaran, Gilan, Khuzestan and Kerman Provinces, peasants holdings have been significant in Sistan and Baluchistan, Hormozgan and Bushehr and to a lesser degree in Khorasan and on the edge of the central desert where agriculture offered a low return. Waqf holdings were most significant in Khorasan but much Waqf land existed in east and west Azerbayejan, Bakhtaran, and Fars provinces.
In most parts of the country, landlords periodically redistributed the share croppers' holdings in order to reduce the peasants' security of tenure and independence. As a consequence the farmers had no incentive to improve their holdings. In addition they were discouraged from planting gardens or investing in buildings.  

The relation between the landlord and the peasant was based on a crop-sharing agreement; more rarely the peasant had tenancy agreement. In the latter case payment to the landlord was mainly in cash or in cash and kind. In the crop-sharing case five elements - land, water, seed, draft animal and labour - were taken into consideration. In most cases the landlord provided all but labour, he collected 80 per cent of the crop. In the case of grain, the division of the crop was made on the threshing floor. 

In some areas, the landlord levied dues in addition to a share of the crop, and the peasant was also subject to certain personal services. The most common was the liability of the peasant to transport the landlords' share of the crop from the threshing floor to the granary of the landlord. The most onerous of the personal services was labour service or bigari. 

Some land owners avoided confiscation by transferring ownership to wives, children and relatives before the actual implementation of the reform. There was no law to prevent
landlords retaining the best land or the land which had favourable water supply. Even where landlord lost much of their lands their political influence and social prestige often persisted over the peasantry.5

Before the land reform the landlord rarely permitted the peasants to produce peas, potato, tomato and other vegetables since checking and collection of these crops were difficult.

Systematic land reform programme was launched after the enactment of land reform programme on 9th January 1962. It is marked as the first phase of the land reform programme. Later on in 1963 some other additional articles were incorporated and passed by the parliament but began to be applied in 1965, this has been termed as the second phase of land reform. Period after the introduction and approval of the bill on land reform in 1968 is considered as the third phase of land reform. Thus the land reform is based on three phases.

FIRST PHASE

First phase of land reform covered the period between (1962-64). Land holdings over one village were to be transferred to the government for distribution among the farmers under the law.* The law allowed land owners to possess only

* This law stipulated 1000 and 2000 hectares for irrigated and dry lands respectively to be retained by the landlords.
one village "six dang",* the rest was to be distributed among the peasants, lands consisting of orchard, tea plantation and mechanised farms were out of perview of the law.

For surplus lands or villages belonging to owner of more than one village or six dang, compensation was given depending on taxes paid, the distance from village to city, village revenue and peasant landlord crop division patterns. In general compensation was around 100 to 180 time of the average of last three years tax payment prior to 1962. Compensation was paid over 15 years in annual instal-ents. Compensation could have been used to purchase share in government factories, to pay taxes and or as a security against bank credit for investment in mining and industry or agriculture.

There was a provision that if recipient's death occurs within 12 months of redistribution of land his share should be transferred to his beneficiaries. This system did not disturb the field arrangement of the village and prevented the farm land from splitting into small units. The land reform programme actually gave him a land little but not absolute land ownership rights.

* In Persian law, any piece of a real estate is divided into six shares of parts, known as dangs. The area of one village which the landowners retained included six dangs, land owners were also allowed to retain parts in several villages, amounting to six dangs in all.
The prices paid by recipient was the government's purchase price plus a maximum 10 per cent commission of the cost price to be payable in fifteen equal annual instalments. This process was self-financing. Holding could not be transferred or sold until the full prices had been paid. Any land transaction effected after the approval of the law was declared null and avoid. Landlords who refused to prepare a declaration or who filled in false declaration on their land holdings, were fined 100,000 Rials (US $ 6765).

Law was first carried out in the north and centre where peasants were most oppressed. During the first attempt the power of the landlords was broken in the north and shaken in the centre, while the south and the east were not affected.

Under the first phase 9,000 villages (almost 16 per cent of the total) were affected by the land reform programme while the status of the vast majority peasants remained unchanged. With this phase 4,070 villages and farms were wholly bought from landlords and 11,760 villages and farms partially for 10,350 million Rials and were sold to 707,000 peasant families. The government therefore further amended the land reform laws through the "Additional Articles" on 17th January, 1963 which when put into effect in February 1965, formed the second phase of the land reform.
SECOND PHASE

When it became clear that first phase fell short of the desired goal and only about a quarter of the peasants would be benefitted, cabinet decreed in late January 1963 (but the decree came into effect in 1965) that landlords were no longer allowed to retain even single village or section of several villages totalling not more than above 250 hectares and were obliged to distribute all their land above a determined amount varying in the different parts of the country and depending on the characteristic and fertility of the soil. The maximum area laid down for different regions were categorised as follows:

<table>
<thead>
<tr>
<th>#</th>
<th>Region</th>
<th>Maximum Area (hectares)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Rice lands in Gilan and Mazandaran</td>
<td>23</td>
</tr>
<tr>
<td>2.</td>
<td>Environ of Tehran, Varamin, Damavond, Rei, Shamiran and Karaj</td>
<td>30</td>
</tr>
<tr>
<td>3.</td>
<td>Other lands in districts listed in 2 above</td>
<td>70</td>
</tr>
<tr>
<td>4.</td>
<td>Environ of provincial capitals except Kerman, Sanandaj and Zahedan</td>
<td>50</td>
</tr>
<tr>
<td>5.</td>
<td>District of Gurgan, Gumbad, the Mughan Steppe, and lands other than rice in Gilan and Mazandaran</td>
<td>40</td>
</tr>
<tr>
<td>6.</td>
<td>Khuzestan, Sistan and Baluchistan and Kerman</td>
<td>150 or above</td>
</tr>
<tr>
<td>7.</td>
<td>All other regions</td>
<td>100</td>
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Under phase II, landowner were given a choice of three courses that are as follows.

1. Leasing the land for thirty years to the occupying peasants with cash rent based on the average income received in the three preceding years. Rent was subject to revision every five years.

2. Selling the land to occupying peasant by mutual agreement.

3. Dividing the land between themselves and peasant in proportion to the crop-sharing at the highest selling and purchasing rate for the region in ten equal annual instalments. Water rights were also assigned in proportion of the share of land. Credit was supplied to the peasants to assist the purchase.

Another provision allowed the leasing of waqf lands for 99 years tenancy. With this provision condition of tenants have improved.

Government also decreed that no landlord has the right to expel or prevent a peasant on any ground from the land which he cultivated. Mechanical farms were exempted from the provision of the law provided that they were cultivated at the date when law came into force. Landowners who retained a village under first phase were permitted to keep an area of 500 hectares under mechanized cultivation. As a
result landlords ploughed large areas with tractors and claimed that land was mechanized. They also evicted peasants from their lands on a large scale, especially around Tehran, Esfahan and in the south on the pretext that land was mechanized.

Regulation 1964 offered the landlords two other possible course of action in addition to three choices given before.

1. The formation of Joint Stock (on agricultural unit) with agreement of the majority of the peasants and landowners and run by a managing committee consisting of three persons one representing peasants, the other the landlords or land-owners and the third being chosen by mutual agreement by the two parties, determined the share of each person.

2. Buying the peasants right and employing them as wage labourers. This was the complete reversal of the original law.

Under second phase 232 landlords leased their lands to 1243961 tenant peasants which comprised 73.5 per cent of the total land area subjected to land reform; 3,202 landlords sold their land to 55,953 peasant families which was only 1.2 per cent of the total; 25,359 landlords maintained 8.0 per cent land for share cropping to 157,598 peasants;
41,615 landlords set up joint stock units with 8,192 peasants families in 3,952 villages on an area of 13.2 per cent of the total. 13,374 peasants sold 4.1 per cent of their share of landownership. About 8,564 farms and villages of public endowment were let for 99 years to 137,173 peasant families and 957 farms and villages of private endowment were let to 35,931 peasant families; 9,544 villages were exempted from distribution comprising 1,223 mechanized farms; 6,236 were unutilized villages and 2,085 villages dominated by garden and tea plantation. The second phase covered only 54,833 villages and 21,850 farms. 213,551 peasant families got title of the land and 13,374 peasants lost their position of being farmer.

Second phase suffered from many short-comings in its action towards peasants and showed favourable attitude towards landlords. It has not attempted to settle landless villagers, or to foster land consolidation through amalgamation of scattered land parcels which was a major objective of the land reform programmes. Fragmentation of holding appears to be the most essential cause of large distance between the fields and the settlements and this needs tremendously to be realized and examined.

In many parts of the country lands of a single farmer are scattered at 27 places in one village or in several villages. In Mashhad, northeast of Iran 75 per cent farmers
have scattered farms. Whereas in rural Kashan farms of 81.3 per cent farmers are scattered in many parts around the village.

Seventy three per cent farmers during the first phase choose to take land on thirty years tenancy with cash rent based on average earning in three preceding years. There have been disputes over the fixation of the rent since the rent might have been more than the share of the crop formerly paid by the peasant, because in case of loss cultivator had to bear the loss.

Landlords who chose to sell their lands to their tenants comprised only 1.2 per cent, only 8 per cent of the total land was divided according to the agreement of respective shares of crops between the landlord and peasant. Since existing crop sharing method gave the farmers a smaller share and it depended upon the discretion of the landlord to allocate the share of crop. The farmers got not more than one fifth of the total land area, eventually they continued to work under tenancy agreement as they could not afford their family needs on such a smaller land area. Other things with which land reform did not produce effective results were the distribution and use of water, consequently land reform which originally intended to better the lot of the peasants, in fact considerably worsened it.
Setting up of joint farming units was an other most favourable choice in favour of landlords. It covered only 13 per cent of total land and operated only in Khorasan and Kerman and on the edge of the central desert and very rarely in other parts of country. It intended to provide loans to those units directly from the credit Banks, so that no cooperation organisation would be needed.

Provision of law by which tenants could sell their cultivation rights to the landlords indicated that only 4 per cent land was sold to the landlords with the collusion of government officials. in the Darab districts of Fars province 5,000 peasants sold their rights, since they had been given impression that they had no choice but to sell their lands. In northeast parts of Iran (Turbat-i-Hydarri) large number of peasants sold their rights. some under pressure, many out of poverty, because, their holdings were small and unproductive to afford living.

There have also been instances in many parts of the country when landlords put pressure by various methods to withhold water in the hope of forcing them to sell their rights.

Exemption of mechanized farm brought in the gamut of land reform was an other instance for much abuse. Very frequently attempts were made to prove that the land was mechanized on or before the date of land reform programme
began. Landlords either bought or hired tractors and ploughed the land to gain the legal claim of the land as a mechanized one. Government from the beginning was not concerned with equitable and rational distribution of the land. Under the procedure, the ownership of the land was granted to the tenants on conditional title proportionate to the land cultivated under the share cropping system. 35-40 per cent workers farming as an agricultural labourers (Khushnishin) has no cultivation right on the land and were completely ignored under the first and second phase of the land distribution programme.

Data on the second phase are too vague to make any effective analysis. However, it seems that two third of the landowners leased their land for 30 years period. Thus, retaining control over their land.

Ajami\(^\text{16}\) indicates that 72 per cent villages were leased, 18 per cent were organized into joint farming units, 6 per cent were divided between landowners and peasants, 1.4 per cent sold out right to peasant cultivation, 2.6 per cent rights were sold to landowners.

**THIRD PHASE**

Third and final phase of land reform in effect was an adjustment of phase second that reduced the landowners choice to selling and dividing the lands according to reform law.\(^\text{17}\) Under the third phase of land distribution programme
all kind of tenancies were abolished except the land owned by Waqf. All lands rented were required to be transferred to the tenant farmers. If the tenant farmers did not apply for the transfer of the land, it would have to be handed over to others, first in the village or else to outsiders. The price was set out twelve times the annual rent, to be paid in twelve equal instalments. A delinquent payer lost their land. The land could not revert to the former owner or his proxies.18

According to official report during the third phase 316,372 landlords with tenancy agreement sold the land to 1154578 farmers and both of them got the legal status of their land. Under the agreement of division of the land, 35,400 landlords and 110,347 peasant got the legal status of land. In total 1264925 farming families got the legal status of their land. Taking into consideration all the three phases of land reform, upto 1974, out of 3,600,000 rural families 2,267,661 (63 per cent) obtained the legal status of their land. Under the third phase all the leased lands were sold outright to lease holders (lessees) and a comparatively small percentage of landlords divided their land with their tenants.

In 1971, finally the government announced that land reform was officially closed and completed, though many problems of the landownership and tenure system remained untouched.
Overall about 82 per cent of agricultural land belongs to present producers, the remaining 18 per cent being owned by independent capitalist farmers, who were either farmer landlords or others who purchased their estates, and modern sectors.

With the taking over of the Islamic Government a Crusade (Jahad-e-Sazandegi) was constituted which combines the role of three agencies, the Literacy, Health and Agricultural extension crops. The crusade was given the status of a ministry at the end of 1983 and in July 1984 the ministry announced a plan to bring one million hectare under dry farming, and the construction of roads and irrigation networks. However, the delay in implementing these projects has led to migration from rural to urban areas.

The constitution of Jihad Ministry and the Ministry of Agriculture are known to hold conflicting views on almost every aspect of policy, with the Jihad strongly in favour of far reaching land reforms. Proposal for the merger of two ministries in 1987 encountered resistance in both the organizations. While the ministry of agriculture had an essentially advisory and technical role in the agricultural sector, the Jihad Ministry tried to establish collective farming organizations and a reduction in the role of the private landowners.
After the revolution when the new government came in power land seizures began in many villages, though government opposed and assured the people to check the land seizure, yet 1.5 million rural dwellers migrated to Tehran alone in the first year of the revolution in the face of land seizures. Sensing the economic disaster threatened by mass migration a land reform programme was prepared by the ministry of agriculture. The programme planned to limit the size of the holdings broadly to three times the average holdings prevalent in a particular region. The principle of redistribution of land connected with land reform were presented and passed by the Iranian Parliament (Majlis) in 1981 but latter rejected by the council of Guardians as un-Islamic. The form of land reform bill was then altered considerably but it again did not receive the assent of Council of Guardians. However, a compromise was reached and a law was enacted which gave farmers, peasants the right to possess land and allowed the big landlords to retain their estate. This law was passed by the Majlis in May 1985, though it was not retified by the Council of Guardians. The unclaimed land as a result of the migration of people amounting to about 800000 hectares were redistributed of which about 30 per cent of this land was uncultivable or grazing land and about 200000 hectares of cultivable land have been given to poor or landless peasants. There still remains 630000
hectares of farm land in the possession of the Government. The problem of right of ownership has affected about 1.2 million hectares (one quarter) of Iran's prime agricultural land since the revolution.

In 1990 change in Government policy on the utilization of agricultural land were announced. An official team consisting seven members were to grant land in blocks to group of investors, in order to ensure its rapid development, some 200000 hectares of land have been leased to farmers for temporary cultivation, and it is aimed to lease a further 250000 hectares under the new terms.\(^{19}\)

**PLANNING**

Perceptible change in the old-age agricultural system of Iran started from late 1950's.\(^{20}\) There has always been resistance from the landlords and the peasants for any major transformation. Great changes have been brought about by the government through a programme of economic planning and land reform.

First Iranian seven year economic plan was introduced in late fifties (1949-1955). From the allocation of resources it seems that planners felt the need for giving priority to agricultural sector, the main aims being the modernization of method of agricultural production. Total amount allocated to agriculture was 7.3 billion Rials (US $0.5 billion) which was 28 per cent of the total public expenditure.\(^{21}\)
Two important irrigation projects were envisaged in the first development plan. First the construction of Kerkh Dam in Khuzestan, whose command area was 15,000 hectares of new land. Second one was Zayandeh Rud river scheme near Esfahan, involving the construction of tunnel to link the head water of the Karun river with Zayandeh Rud.

Unfortunately, due to expropriation of Anglo-Iranian Oil Company in 1953 and subsequent boycott of oil, government revenue dropped sharply. As a result many of the objectives of agricultural development could not be fulfilled.

The Second Seven Year Plan (1955-62) started with an aim of rapid economic growth, but like the First Plan it was also not completed. Total plan investment was 81.1 billion Rials (US $ 1200 million) out of which transport and communication received the largest share of 37.5 per cent followed by agriculture 23.3 per cent.

Regarding achievements of agriculture and irrigation objectives, about 17.4 billion Rials (US $ 1.18 billion) out of the 18.9 billion Rials (US $ 1.28 billion) were allocated for agriculture and irrigation, dam building and generation of electricity and some of the irrigation and water supply installations connected with large projects - The Mohammad Reza Shah Pahlavi dam on the river Dez, the Empress Farah dam on the Safid Rud, the Amir Kabir dam on the river Karaj and
the Shahnaz dam near Hamaddan - were all completed in due course of time. Fourteen other small irrigation and Soil Survey Projects were completed. Consumption of fertilizer increased from 3000 tonnes in 1956 to 25,000 tonnes in 1960. In view of the sharp increase in the requirement a fertilizer factory was set up near Shiraz, this plan laid the ground work for continued agricultural development and opened the way for the redistribution of land in 1963.

The objective of the Third Plan (1962-68) connected with agriculture and irrigation were as follows. 24

1. To increase agricultural production by 4 per cent annually throughout the plan.
2. To raise the standard of living in villages.
3. To ensure a more equitable distribution of agricultural income.
4. To reduce the import of essential agricultural produce to the minimum.
5. To supply irrigation water to increase irrigated area by 140,000 hectares.
6. To carry out irrigation studies in order to obtain data on water resources and to prepare plan for implementation in the ensuing plan period.

Total amount ear-marked for agriculture in the plan totalled 34 billion Rials (US $ 2.30 billion) which was only 21.5 per cent of the expenditure. Education was allocated
15.2 billion Rials (US $ 1.03 billion) which was 9.7 per cent of the total amount.

Supply of irrigation water became one of the main aims of the plan. To fulfil the aim drilling of deep wells, repair and improvement of qanats and construction of dâns started. Owing to adverse weather condition the envisaged growth rate of 4.0 per cent could not obtained but it remained only 2.6 per cent.\footnote{25}

Objectives of the Fourth Development Plan (1968-73) was to lay emphasis on agriculture. It was formulated with due consideration to agricultural development and progress. Following over view is based on the formulation of the plan.\footnote{26}

(i) A minimum average annual growth of 5 per cent in gross production be obtained in order to meet the constantly increasing demands of food-grains for the population.

(ii) To increase the productivity of labour and land by dissemination of modern technique and production training and skill.

(iii) To transform the structure of rural societies on the basis of cooperatives and self help activities.

Other set goals of the plan were maximum utilization of agricultural resources, including initial cultivation of
the country's large area of virgin lands as well as potentially cultivable lands, through improved communication and transportation systems. Formation of large agro-industrial complexes, each of which would concentrate on land reclamation, cultivation, harvesting, processing, and distribution of agricultural products. Extension services were to be improved and expanded.²⁷

In the agricultural sector the plan put special emphasis on the optimal use of chemical fertilizer, improvement of seeds and plants, better crop protection and further agricultural research.

Use of chemical fertilizer had risen from 40,000 tonnes in 1962 to 250,000 tonnes in 1969, gaining a six fold increase and was expected to rise to 350,000 tonnes by the end of the plan. Number of tractors in use increased from 17,500 at the beginning of the plan to 23,000 in 1973. A heavy engineering works at Atrek was set up for the production of agricultural tools such as plough, disc-harrow and seeders. By the effort of the Ministry of Agriculture high yielding varieties of Mexican wheat seeds which are highly suitable for Iranian conditions and new rice strains were introduced. Cultivation of wide variety of Soyabean oilseeds was encouraged.

During the plan it was anticipated that availability of irrigation water will increase by 15 per cent.²⁸
Agriculture received only 46.7 billion Rials (US $3.57 billion), 8.4 per cent, allocation, reflecting the sectors limited possibilities and low absorption capacity, as a result no self sufficiency owing to all these efforts, was achieved at the end of the Fourth Plan. 29

The Fifth Plan (1973-79) was basically a continuation of fourth Development Plan. Basic objectives of agricultural sector with coordination of other sectors of economy were as follows:

(i) To exploit natural resources within the framework of the principles of white revolution.

(ii) To increase the level of agricultural production and farmer's per capita income in time with an increase in their per capita production by the use of advanced agricultural technology in the various operating units, especially cooperatives, farm corporation, agro-industry companies and agro-business in such a way that may represent maximum possible annual growth rate of 5-7 per cent in agriculture. 30

(iii) To prepare regional development programme that aimed at more balanced growth between the regions, with special attention to less developed areas and Five Year Plan to be drawn up for each province. 31

(iv) To supply water as per requirement of agriculture, so that the total area of irrigated cultivation could be
increased from 3.5 million hectares at the end of Fourth Plan to 4.1 million hectares at the end of the Fifth Plan.

Original allocation to agriculture during the Fifth Plan was 180.2 billion Rials (US $ 12.66 billion), 7.2 per cent, of the total expenditure. Plan was again revised due to tremendous increase (almost five times the original amount) in the oil revenue. The revised plan was put before the Majlis in 1974 and it increased to 309.2 billion Rials (US $ 21.72 billion), 6.6 per cent, of the total expenditure.32

Government during the early period of plan continued to pin its hope for improved production of food stuffs and agricultural raw materials and the growth of farm corporation and agro-industries. Plan called for the conversion of 420,000 hectares to farm corporation and the reclamation of further 300,000 hectares of land for use of agro-industries venture.33 It was provided that a million hectare of land should be brought into small scale modernized agricultural units modelled on the line of agri-business enterprises of Khuzestan. However, the environmental constraints and inflated capital and running cost became the major obstacles.

In the Fifth Plan Organization of agriculture was by and large ignored. The control of foodgrain prices in urban areas, liberal import policy of food items and government
sponsored food subsidies was undoubtedly responsible for the low rate of growth in agricultural sector. In any event one of the consequences of depression in the agricultural sector was the rapid migration to urban areas. Thus by the final year of the Fifth Plan, the economy had turned into a consumption oriented economy.

Islamic Republic of Iran's Economic council formulated on August 31, 1982 the country's new First Five Year Plan for the period of (1983-88). In this plan development of agricultural sector on a priority basis was considered as the central theme of economic growth. Total investment in agriculture was 2205 billion Rials (US $ 26.24 billion) which is 15.54 per cent of the total investment of the plan. The First Plan of Islamic Republic of Iran was not properly implemented due to continuation of war with Iraq and the difficulties arising out of war situation and the fall in the oil prices.34

The Five Year Development Plan introduced in January 1990, envisaged investment of US $ 64 billion in agriculture. Of this sum, one-third is to be invested by the Government and the remainder by the private sector. About US $ 340 million are to be spent on increasing the output of cotton, sugar-cane and maize, on animal husbandry and on scheme to mechanize the farming of wheat on 2 million hectares of irrigated land. Plan also included the development of major
agro-industrial complexes. Since the end of the war development under way has been hampered by drought in the western rainfall areas and by the earthquake of June 1990 which destroyed irrigation works, orchards and farms in the fertile north-west provinces of Gilan and Zanjan. 35
References:


7. idem, ibid., 1971, p. 409.


33. Aresvik, O., op. cit., p. 57.
